

PERTH COMMON GOOD FUND COMMITTEE

25 September 2019

2019/20 FINANCIAL STATEMENT

Report by Head of Finance (Report No. 19/256)

PURPOSE OF REPORT

This report provides details of the Income and Expenditure to 25 August 2019 and the projected outturn to 31 March 2020 for the Perth Common Good Fund.

1. BACKGROUND / MAIN ISSUES

- 1.1 The Committee approved the Perth Common Good Fund budget for 2019/20 at the meeting of 27 February 2019 (Report 19/55 refers). This report provides an update on the monitoring position and projected outturn for Financial Year 2019/20.
- 1.2 The unaudited financial results for 2018/19 were presented to Committee at the meeting of 19 June 2019 (Report 19/184 refers). The deficit and Total Fund Balance for the year to 31 March 2019 was reported as £168,612 and £1,516,415 respectively. The Council's auditors KPMG have completed the audit of the accounts and no changes are required.

2. PROPOSALS

Financial Statement 2019/20

- 2.1 On the basis of Appendix 1, there is a projected deficit of £22,488 in 2019/20 and a projected Common Good Fund balance of £1,493,927 at 31 March 2020. Of the total balance £1,000,000 is reserved as the Minimum Revenue Balance of the Fund to ensure its long-term sustainability and £120,000 is earmarked as a Repair and Renewal Reserve (Report No. 19/55 refers). This leaves an Uncommitted Revenue Account balance of £373,927 available for the funding of unforeseen expenditure.
- 2.2 The movement from the previously reported deficit position of £25,500 is mainly attributed to a £4,500 increase in the estimate for interest, due to the higher rate on the fixed term deposit, partially offset by a £1,500 increase in the estimate for fees attributed to the preparation of the lease agreement for the Lower City Mills site.
- 2.3 The tender process for the upgrade of the 2 North Port shop unit is complete and the project costs remain in line with the approved £50,000 budget. An updated programme will be reported to the Committee following receipt of the Principal Contractor Construction Phased Plan.

3. CONCLUSION AND RECOMMENDATIONS

3.1 The Committee is requested to:-

- (i) Note the Perth Common Good Fund Financial Statement to 25 August 2019 and the projected outturn to 31 March 2020 for Financial Year 2019/20 as set out in Appendix 1 to the report.

Author(s)

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Approved

Name	Designation	Date
Stewart MacKenzie	Head of Finance	28 August 2019
Jim Valentine	Depute Chief Executive (Chief Operating Officer)	9 September 2019

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	None
Corporate Plan	Yes
Resource Implications	
Financial	Yes
Workforce	None
Asset Management (land, property, IST)	None
Assessments	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	Yes
Sustainability (community, economic, environmental)	Yes
Legal and Governance	None
Risk	None
Consultation	
Internal	Yes
External	None
Communication	
Communications Plan	None

1. Strategic Implications

1.1 Corporate Plan

1.1.1 The Council's Corporate Plan 2018 – 2023 lays out five outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:

- (i) Giving every child the best start in life;
- (ii) Developing educated, responsible and informed citizens;
- (iii) Promoting a prosperous, inclusive and sustainable economy;
- (iv) Supporting people to lead independent, healthy and active lives; and
- (v) Creating a safe and sustainable place for future generations.

1.1.2 This report relates to all objectives.

2. Resource Implications

2.1 Financial

2.1.1 There are no direct financial implications arising from this report other than those reported within the body of the main report.

3. Assessments

3.1 Equality Impact Assessment

- 3.1.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.1.2 The information contained within this report has been considered under the Corporate Equalities Impact Assessment process (EqIA) and has been assessed as **not relevant** for the purposes of EqIA.

3.2 Strategic Environmental Assessment

- 3.2.1 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.
- 3.2.2 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

3.3 Sustainability

- 3.3.1 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.
- 3.3.2 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

4. Consultation

4.1 Internal

- 4.1.1 The Depute Chief Executive/Chief Operating Officer has been consulted in the preparation of this report.

2. BACKGROUND PAPERS

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to any material extent in preparing the above report.

3. APPENDICES

Appendix 1 - Perth Common Good Fund Financial Statement for period to 25 August 2019 for Financial Year 2019/20.